U.S. Department of Education
Office of Postsecondary Education
Washington, D.C. 20202

Fiscal Year 2022

Application for Congressionally Directed Awards Assistance Listing Number 84.116Z

Dated Material - Open Immediately
Closing Date: June 30, 2022

PAPERWORK BURDEN STATEMENT

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OVERVIEW

Entities named as potential congressionally directed grant (hereafter earmark grant) recipients in appropriation acts often ask, "Our organization received grant money in the appropriations act. When do we get the check?" Before the U.S. Department of Education (Department) can respond fully to a request for funds, and before your organization can gain access to funds that have been "earmarked" for your organization, you must submit an official application, as required by 34 C.F.R. § 75.104(a), that meets applicable requirements and otherwise is approvable. The application:

- Provides a means for your organization to demonstrate to the Department that its proposed grant activities are consistent with the language in the Department's appropriations act. By law, the Department cannot award your organization these grant funds for any other purpose and must ensure that the application meets all applicable requirements;
- Allows both your organization and the Department to determine that your plan to spend the funds is in accordance with applicable Federal laws and regulations;
- Establishes clear objectives for the proposed program; and,
- Describes the activities your organization will carry out in order to meet the objectives and applicable requirements.

In preparing an approvable application, you have an opportunity to focus the goals and objectives of the project on allowable activities. The application allows us to gain information needed to award the grant. Based on questions that grantees have raised in the past, we provide extensive information on the following topics in this application package:

- Proposed project dates, which clarify limitations on one-time no-cost extensions for those few projects that may last longer than 36 months;
- Human subjects;
- Requirements for the project narrative; and
- Indirect costs.

In addition, we have included a sample budget justification to help applicants provide sufficient details on the planned use of the grant funds in the application. Also, the post-award section includes information so that applicants will know at the beginning of the process what is expected by the Department during the post-award phase.

Completing the application will be easier if you first read these instructions carefully and in their entirety. Following these instructions should help your organization shorten the time that it will take to prepare an approvable application, and thus the time before your organization can gain access to the funds and begin its activities. **If the Department determines that your organization's application meets all applicable requirements and is approved, your organization will receive instructions on opening an electronic account (if needed) through which your organization can begin to draw down the grant funds.**

An application will not be evaluated for funding if the applicant does not comply with all the procedural rules that govern the submission of the application or the application does not contain the required information (34 C.F.R. §75.216 (b) and (c)).

The remainder of this package provides specific details on the application necessary for you to receive the funds for your organization as described in the appropriations act language. To apply for the earmark grant described in the appropriations act for your organization, use the government-wide website Grants.gov. We encourage you to familiarize yourself with Grants.gov and 1) register or identify who has access to your organization's registration and 2) become a user or clarify roles for submitting the application using Grants.gov.

The Department's *Common Instructions for Applicants to Department of Education Discretionary Grant Programs*, published in the Federal Register and revised on December 27, 2021, may be a resource for you as well as you complete your application: www.federalregister.gov/d/2021-27979.

Please visit our earmark grant website at https://www2.ed.gov/about/offices/list/ope/earmarks.html for further information, resources, and updates. If you have any technical questions after reviewing the application package, please contact CongressionallyDirectedGrants-OPE@ed.gov.

GENERAL INFORMATION

This section includes information on relevant law, regulations, and guidance. No costs can be covered by the grant unless they are directly related to the purposes set forth by Congress in the appropriations act language for your grant. In addition, the Education Department General Administrative Regulations (EDGAR), and government-wide requirements, including the Uniform Administrative Requirements, Cost Principles, And Audit Requirements For Federal Awards (Uniform Guidance) (2 C.F.R Part 200) and 2 C.F.R Part 3474, also serve to limit the uses to which a earmark grant can be used. The Uniform Guidance establishes uniform administrative requirements, cost principles, and audit requirements for Federal awards to non-Federal entities.

Deadlines
Your organization must submit its application by June 30, 2022 at 11:59:59 p.m. Eastern time in order for the Department to ensure that your organization is able to receive the grant. We will begin review of the applications as soon as they are submitted, so the earlier you submit, the earlier you may be able to access your grant funds. Before your organization submits its completed application, check to makes sure that it adequately addresses all of the requirements. Use of the checklist in the next section of this document should help with this crucial step. The sooner the application is submitted, the sooner we will be able to review it and, if approvable, provide your organization with access to your funds. Grant money that is not formally awarded by the end of the Department's fiscal year on September 30, 2022, will lapse and cannot be awarded to your organization, and ultimately will be returned to the U.S. Treasury.

Declining an Earmark Grant
Organizations identified as potential recipients of earmark grants may choose to decline the award. Typically, this occurs for one of two reasons: 1) changes in the organization's priorities since the organization originally expressed interest in the grant; or 2) the organization has a policy against acceptance of earmarked awards. There may be other reasons for declining an award; however, whatever the reason, please notify the Department by email at the address found in your confirmation email if your organization is no longer interested in applying for the earmark grant.

Application Overview
Applications must be entered into the Grants.gov system; applications submitted via email will not be accepted. Find additional training resources on navigating Grants.gov, including video tutorials, here. For more information, including how to submit a paper application in cases in which electronic submission is not possible, please read the Common Instructions referenced earlier. The Department will review your application for completeness in addressing the application requirements.

Among the other application components described below in this application package, a completed application will include a project narrative. The project narrative is the central component of the application and should include the following: 1) a detailed description of the

project design that includes goals and objectives, activities to be completed to meet the goals and objectives, and a timeline on which the activities will be implemented; 2) project personnel; 3) a management plan; and 4) a description of how your organization will measure or determine progress and gauge overall impact. We recommend the project narrative be five to ten double-spaced pages.

Note that your organization's application must address and be consistent with the appropriations act language specifying the purpose of your organization's grant (as stated in the confirmation email sent to you to verify your organization's contact for this grant), address the program requirements, and outline a level of expenditures that is consistent with the amount specified in that email. The Federal share of the cost for the proposed scope of work may not exceed the amount available under the earmark.

Technical Assistance Workshops for Earmark Grant Recipients
The Department will host two technical assistance webinars for earmark recipients on how to complete the required application and what happens after an application has been approved and requirements over the course of the grant. The content of the webinar will be repeated, so applicants only need to attend one webinar, if interested. When possible, information from recordings of the webinars will be posted on the program website. The dates and times for the webinars will be posted on the earmark grant website.

GRANTS.GOV SUBMISSION PROCEDURES AND TIPS FOR APPLICANTS

To facilitate your use of Grants.gov, this document includes important submission procedures you need to be aware of to ensure your application is received in a timely manner and accepted by the Department of Education.

Browser Support

The latest versions of Microsoft Internet Explorer (IE), Mozilla Firefox, Google Chrome, and Apple Safari are supported for use with Grants.gov. However, these web browsers undergo frequent changes and updates, so we recommend you have the latest version when using Grants.gov. Legacy versions of these web browsers may be functional, but you may experience issues. Grants.gov no longer provides support for Microsoft Internet Explorer 9 or below.

For additional information or updates, please see the Grants.gov Browser information in the Applicant FAQs: http://www.grants.gov/web/grants/applicants/applicant-faqs.html#browser.

ATTENTION – Workspace, Adobe Forms and PDF Files

Grants.gov applicants can apply online using Workspace. Workspace is a shared, online environment where members of a grant team may simultaneously access and edit different web forms within an application. For each funding opportunity announcement (FOA), you can create individual instances of a workspace.

Below is an overview of applying on Grants.gov. For access to complete instructions on how to apply for opportunities, refer to: https://www.grants.gov/web/grants/applicants/workspace-overview.html.

1) Create a Workspace: Creating a workspace allows you to complete it online and route it through your organization for review before submitting.

2) Complete a Workspace: Add participants to the workspace to work on the application together, complete all the required forms online or by downloading PDF versions, and check for errors before submission. The Workspace progress bar will display the state of your application process as you apply. As you apply using Workspace, you may click the blue question mark icon near the upper-right corner of each page to access context-sensitive help.

> a. Adobe Reader: If you decide not to apply by filling out web forms you can download individual PDF forms in Workspace. The individual PDF forms can be downloaded and saved to your local device storage, network drive(s), or external drives, then accessed through Adobe Reader.
> NOTE: Visit the Adobe Software Compatibility page on Grants.gov to download the appropriate version of the software at:

https://www.grants.gov/web/grants/applicants/adobe-software-compatibility.html.

b. Mandatory Fields in Forms: In the forms, you will note fields marked with an asterisk and a different background color. These fields are mandatory fields that must be completed to successfully submit your application.

c. Complete SF-424 Fields First: The forms are designed to fill in common required fields across other forms, such as the applicant name, address, and Unique Entity Identifier (UEI) Number. Once it is completed, the information will transfer to the other forms.

3) Submit a Workspace: An application may be submitted through workspace by clicking the Sign and Submit button on the Manage Workspace page, under the Forms tab. Grants.gov recommends submitting your application package at least 24-48 hours prior to the close date to provide you with time to correct any potential technical issues that may disrupt the application submission.

4) Track a Workspace Submission: After successfully submitting a workspace application, a Grants.gov Tracking Number (GRANTXXXXXXXX) is automatically assigned to the application. The number will be listed on the Confirmation page that is generated after submission. Using the tracking number, access the Track My Application page under the Applicants tab or the Details tab in the submitted workspace.

For additional training resources, including video tutorials, refer to https://www.grants.gov/web/grants/applicants/applicant-training.html.

Helpful Reminders

1) **REGISTER EARLY** – Grants.gov registration involves many steps including registration on SAM (www.sam.gov), which usually takes approximately 7 to 10 business days, but can take longer depending on the completeness and accuracy of the data entered into the SAM database by an applicant. You may begin working on your application while completing the registration process, but you cannot submit an application until all of the Registration steps are complete. Please note that once your SAM registration is active, it will take 24-48 hours for the information to be available in Grants.gov, and before you can submit an application through Grants.gov. For detailed information on the Registration Steps, please go to: http://www.grants.gov/web/grants/register.html. Please note that your organization will need to update its SAM registration annually.

To register in SAM.gov, click on the "Get Started" link under the "Register Your Entity…" heading in SAM.gov. Grantees, and other entities wanting to do business with the U.S. Department of Education (e.g., entities applying for a grant), that are not already registered in SAM.gov must complete the "Register Entity" registration option and NOT the "Get a Unique Entity ID" option. The "Get a Unique Entity ID" option, which is not a full registration, is only available to entities for reporting purposes. Failing to complete the

"Register Entity" option may result in loss of funding, loss of applicant eligibility, and/or delays in receiving a grant award. Information about SAM is available at www.SAM.gov. To further assist you with registering in SAM or updating your existing SAM registration, see the Quick Start Guide for Grant Registrations and the Entity Registration Video at https://sam.gov/content/entity-registration.

2) **SUBMIT EARLY – We strongly recommend that you do not wait until the last day to submit your application. Grants.gov will put a date/time stamp on your application and then process it after it is fully uploaded.** The time it takes to upload an application will vary depending on a number of factors including the size of the application and the speed of your Internet connection, and the time it takes Grants.gov to process the application will vary as well. If Grants.gov rejects your application (see step three below), you will need to resubmit successfully to Grants.gov before 11:59:59 p.m. Eastern Time on the deadline date.

You must provide the UEI on your application that was used when you registered as an Authorized Organization Representative (AOR) on Grants.gov. This UEI is assigned to your organization in SAM at the time your organization registers in SAM. If you do not enter the UEI assigned by SAM on your application, Grants.gov will reject your application.

3) **VERIFY SUBMISSION IS OK** – You will want to verify that Grants.gov received your application submission on time and that it was validated successfully. To see the date/time your application was received, login to Grants.gov and click on the Track My Application link. For a successful submission, the date/time received should be earlier than 11:59:59 p.m. Eastern Time, on the deadline date, AND the application status should be: Validated, Received by Agency, or Agency Tracking Number Assigned. Once the Department of Education receives your application from Grants.gov, an Agency Tracking Number (PR/award number) will be assigned to your application and will be available for viewing on Grants.gov's Track My Application link.

If the date/time received is later than 11:59:59 p.m. Eastern Time, on the deadline date, your application is late. If your application has a status of "Received" it is still awaiting validation by Grants.gov. Once validation is complete, the status will either change to "Validated" or "Rejected with Errors." If the status is "Rejected with Errors," your application has not been received successfully. Some of the reasons Grants.gov may reject an application can be found on the Grants.gov site: http://www.grants.gov/web/grants/applicants/encountering-error-messages.html. For more detailed information on troubleshooting Adobe errors, you can review the Adobe Reader Software Tip Sheet at: http://www.grants.gov/web/grants/applicants/adobe-software-compatibility.html. If you discover your application is late or has been rejected, please see the instructions below. Note: You will receive a series of confirmations both online and via e-mail about the status of your application. Please do not rely solely on e-mail to confirm whether your application has been received timely and validated successfully.

Submission Problems – What Should You Do?

If you have problems submitting to Grants.gov before the closing date, please contact Grants.gov Customer Support at 1-800-518-4726 or email at: mailto:support@grants.gov or access the Grants.gov Self-Service Knowledge Base web portal at: https://grants-portal.psc.gov/Welcome.aspx?pt=Grants.

We discourage paper applications, but if electronic submission is not possible (e.g., you do not have access to the internet), (1) you must provide a prior written notification that you intend to submit a paper application and (2) your paper application must be postmarked by the application deadline date. If you submit your prior written notification by email, it must be received by the Department no later than 14 calendar days before the application deadline date. If you mail your notification to the Department, it must be postmarked no later than 14 calendar days before the application deadline date. (See the 2021 Common Instructions for detailed instructions regarding this procedure.)

Helpful Hints When Working with Grants.gov

Please go to http://www.grants.gov/web/grants/support.html for help with Grants.gov. For additional tips related to submitting grant applications, please refer to the Grants.gov Applicant FAQs found at this Grants.gov link: http://www.grants.gov/web/grants/applicants/applicant-faqs.html as well as additional information on Workspace at https://www.grants.gov/web/grants/applicants/applicant-faqs.html#workspace.

Slow Internet Connections

When using a slow internet connection, such as a dial-up connection, to upload and submit your application, it can take significantly longer than when you are connected to the Internet with a high-speed connection, e.g., cable modem/DSL/T1. While times will vary depending upon the size of your application, it can take a few minutes to a few hours to complete your grant submission using a dial up connection. Failure to fully upload an application by the deadline date and time will result in your application being marked late in the G5 system. **If you do not have access to a high-speed internet connection, you may want to consider following the instructions in the Federal Register notice to obtain an exception to the electronic submission requirement no later than 14 calendar days before the application deadline date.** (See the Federal Register notice for detailed instructions and the 2021 Common Instructions.)

Attaching Files – Additional Tips

Please note the following tips related to attaching files to your application:

- When you submit your application electronically, you must upload any narrative sections and all other attachments to your application as files in either Portable

Document Format (PDF) or Microsoft Word. Although applicants have the option of uploading any narrative sections and all other attachments to their application in either PDF or Microsoft Word, we **recommend** applicants submit all documents as read-only flattened PDFs, meaning any fillable PDF files must be saved and submitted as non-fillable PDF files and not as interactive or fillable PDF files, to better ensure applications are processed in a more timely, accurate, and efficient manner.

- Grants.gov cannot process an application that includes two or more files that have the same name within a grant submission. Therefore, each file uploaded to your application package should have a unique file name.

- When attaching files, applicants should follow the guidelines established by Grants.gov on the size and content of file names. Uploaded file names must be fewer than 50 characters, and, in general, applicants should not use any special characters. However, Grants.gov does allow for the following UTF-8 characters when naming your attachments: A-Z, a-z, 0-9, underscore, hyphen, space, period, parenthesis, curly braces, square brackets, ampersand, tilde, exclamation point, comma, semi colon, apostrophe, at sign, number sign, dollar sign, percent sign, plus sign, and equal sign. Applications submitted that do not comply with the Grants.gov guidelines will be rejected at Grants.gov and not forwarded to the Department.

- Applicants should limit the size of their file attachments. Documents submitted that contain graphics and/or scanned material often greatly increase the size of the file attachments and can result in difficulties opening the files. For reference, the average discretionary grant application package with all attachments is less than 5 MB. Therefore, you may want to check the total size of your package before submission.

ELECTRONIC APPLICATION SUBMISSION CHECKLIST

We recommend that you organize your electronic application in the following manner and include the following parts in order to expedite the review process.

Review your electronic application to ensure you have completed the following forms and sections:

Part 1: Preliminary Documents
- [ ] Application for Federal Assistance (Form SF 424) – ***Note: must complete this form first***
- [ ] ED SF 424 Supplement

Part 2: Budget Information
- [ ] ED Budget Information Non-Construction Programs (ED Form 524)
- [ ] Budget Narrative (Budget Narrative Attachment Form)

Part 3: ED Abstract Form
- [ ] Project Abstract

Part 4: Project Narrative Attachment Form
- [ ] Application Narrative

Part 5: Other Attachments Form
- [ ] Copy of Indirect Cost Rate Agreement, if applicable

Part 6: Assurances and Certifications
- [ ] Disclosure of Lobbying Activities (Standard Form LLL), if applicable
- [ ] Grants.Gov Lobbying Form – "Certification Regarding Lobbying" (ED 80-013 Form)
- [ ] General Education Provisions Act (GEPA) Requirements – Section 427 (ED GEPA 427 form)

Note: To obtain instructions for standard forms included in this application package, please visit https://www2.ed.gov/fund/grant/apply/appforms/appforms.html.

PART 1: PRELIMINARY DOCUMENTS

These forms require basic identifying information about the applicant and the application.

❑ **Application for Federal Assistance (Form SF 424)**

Form SF 424 provides background information about each grant applicant. Complete Form SF 424 first. Grants.gov will automatically insert the correct Assistance Listing Number and program name wherever needed on other forms.

See below for answers to the most commonly asked questions about filling out this form. The instructions accompanying form SF 424 include more detailed information for completing this form. *NOTE: Do not attach any narratives, supporting files, or application components to form SF 424. Although this form accepts attachments, the Department will only review materials/files attached in accordance with the instructions provided within this application.*

- Legal name (8a.): This is the name of your organization, the one named in the appropriations act (or accompanying report) as the grant recipient. It is not the name of a person.

- TIN number (8b.): This is the taxpayer's identification number (TIN) assigned to your organization by the Internal Revenue Service. Your organization must have a TIN before it can officially receive its award.

- Organizational UEI (8c.): Enter your UEI. The UEI is an identification number assigned by SAM.gov to organizations wishing to do business with the Federal government. The Department requires a valid UEI in order to establish the electronic account needed for you to draw down funds.

- Proposed project dates (17a. and 17b.): If your organization's application is approved, the official date on which your organization can start is September 1, 2022. The end date, if appropriate and practical, should generally be August 30, 2025.

  o Pre-award costs: Grantees may, under certain circumstances, charge to their grants some pre-award costs incurred within 90 calendar days before the project start date. However, it may be particularly risky for earmark grantees to incur such costs, since all pre-award costs are incurred at the "recipient's risk" (*i.e.*, the Secretary is under no obligation to reimburse these costs if for any reason the recipient does not receive an award, if the award is less than the anticipated amount and inadequate to cover these costs, if the pre-award costs are for unallowable costs, or if there is some other significant problem with the grant or with the costs). (See 2 C.F.R. § 200.308(e)(1) and 2 C.F.R. § 200.458 of the Uniform Guidance.) If your organization has any specific or general questions about pre-award costs, you may email the Department at the address found in your confirmation email.

- o Your organization may also ask permission to use grant money for pre-award costs incurred in excess of 90 days before the project start date (but not earlier than the enactment of the appropriations act) but will need to provide a very specific justification for these costs. We only approve such pre-award costs in unusual circumstances. If your organization wants to request reimbursement for such costs, it may submit such a request with its application, explaining the unusual need to be reimbursed for such costs incurred more than 90 days prior to the grant. Remember that pre-award costs must be documented carefully, be reasonable and necessary to carry out the current grant, and meet all other requirements for allowability under the cost principles applicable to your organization. Claims for pre-award costs cannot be for any costs that may have been incurred under a prior grant even if the new grant is for the same or similar purpose.

- Executive Order 12372 (19.): Check block c in item 19 because the requirement pertaining to intergovernmental review of Federal programs does not apply to your organization if you become the recipient of an earmark grant.

❑ **ED SF 424 Supplement**

ED SF 424 Supplement provides additional background information about each applicant for a grant and potential research activities involving human subjects. The instructions accompanying form ED SF 424 Supplement include more detailed information for completing this form. Key points include:

- New Potential Grantee or Novice applicant (2a.): There is no Notice Inviting Applications (NIA) for these earmark grants, so you will mark "No" to this question.

- Qualified Opportunity Zones (3): Leave blank.

- Protection of Human Subjects in Research (34 C.F.R Part 97) (Human Subjects Research) (4.): Many grant recipients conduct research involving people, most often by surveying or interviewing students or using their records. In accordance with 34 C.F.R. § 97.102(l) *"research means a systematic investigation, including research development, testing and evaluation, designed to develop or contribute to generalizable knowledge. Activities that meet this definition constitute research for purposes of this policy, whether or not they are conducted or supported under a program that is considered research for other purposes. For example, some demonstration and service programs may include research activities."* All human subjects research funded or sponsored by the Department is subject to the requirements of 34 C.F.R. Part 97, *Protection of Human Subjects in Research. No covered human subjects research can be conducted under the grant until it has the Department's protection of human subjects clearance.*

  - o For an applicant that proposes research involving human subjects, the Department will review the proposed research. If research that is not exempt under 34 C.F.R. Part 97 is proposed, the applicant must (1) submit to the Department information demonstrating that the grantee has a Federal Wide Assurance (FWA) and (2) obtain

approval of the research by an authorized Institutional Review Board (IRB). If you have an FWA and/or IRB approval for the research, include that information in the application.

o   If we determine that the applicant will not be conducting research covered by the regulations, you will not be required to provide the FWA or IRB approval.

o   The Department determines whether a proposed activity constitutes covered human subjects research. If a study is covered by 34 C.F.R. Part 97, written parental consent and child assent are required—unless modified (*e.g.*, recorded oral consent) or waived by the IRB. The regulations on Human Subjects in 34 C.F.R. Part 97 specify the elements of informed consent that must be included. If you believe your organization's project is exempt from review and approval under the regulations, the application needs to identify which, if any, exemptions the organization believes apply to the research, and provide a brief narrative explaining why the exemption(s) applies. If nonexempt research is proposed, a research narrative should be included describing the proposed study. This narrative should be inserted in the application immediately following the page titled "Supplemental Information Required for Department of Education."

o   Applicants proposing a project and budget for more than 36 months need to be aware that IRB approval is required on at least an annual basis if the study extends beyond the initial IRB approval period.

PART 2: BUDGET INFORMATION

Grant money must be spent to carry out the goals and activities presented in your organization's application and consistent with the applicable requirements and the appropriations act language specifying the purpose of your organization's grant. The Federal share of your organization's budget cannot exceed the amount appropriated. Also, the amount given in the confirmation email is the amount that you are applying for and is the amount your budget should be less than or equal to. Check the math in the budget to ensure its accuracy before submitting it.

❑ **ED Budget Information Non-Construction Programs (ED Form 524)**

- **ED Form 524 - Section A Non-Construction Programs**: On this section of the form, please enter figures showing how much your organization plans to spend on each line item. See below instructions for completing ED Form 524-Section A Non-Construction Programs.

    Name of Institution/Organization: Enter the name of the applicant in the space provided.

    Personnel (line 1): Enter project personnel salaries and wages only. Include fees and expenses for consultants on line 6.

    Fringe Benefits (line 2): The institution's normal fringe benefits contribution may be charged to the program. Leave this line blank if fringe benefits applicable to direct salaries and wages are treated as part of the indirect cost.

    Travel (line 3): Indicate the travel costs of employees and participants only. Include travel of persons such as consultants on line 6.

    Equipment (line 4): Indicate the cost of tangible, non-expendable personal property that has a usefulness greater than one year and acquisition costs that are the lesser of the capitalization level established by the applicant organization for financial statement purposes or $5,000 per article. Lower limits may be established to maintain consistency with the applicant's policy.

    Supplies (line 5): Show all tangible, expendable personal property. Direct supplies and materials differ from equipment in that they are consumable, expendable, and of a relatively low unit cost. *Supplies purchased with grant funds should directly benefit the grant project and be necessary for achieving the goals of the project.*

    Contractual (line 6): The contractual category should include all costs specifically incurred with actions that the applicant takes in conjunction with an established internal procurement system. Include consultant fees, expenses, and travel costs in this category if the consultant's services are obtained through a written binding agreement or contract.

    Construction (line 7): Construction is not allowed unless specifically authorized in the appropriations language for your earmark grant.

Other (line 8): Indicate all direct costs not covered on lines 1-6. For example, include costs such as space rental, required fees, honoraria and travel (where a contract is not in place for services), training, and communication and printing costs. *Do not include costs that are included in the indirect cost rate.*

Total Direct Costs (line 9): The sum of lines 1-8.

Indirect Costs (line 10): Indicate the applicant's approved indirect cost rate, per 34 C.F.R. §§ 75.560 – 75.564. For additional information on indirect cost rates, see "Instructions for Charging Indirect Costs" in this application package.

Training Stipends (line 11): As applicable based on the appropriations language for your earmark grant.

Total Cost (line 12): This should equal to sum of lines 9-11 (total direct costs + indirect + stipends). The sum for column one, labeled *Project Year 1* (a), should also be equal to item 15a on the application cover sheet (SF Form 424).

- **Form ED 524 - Section B Non-Federal Funds**: On this form your organization should show how much in non-federal funds it has allocated for each line item. Note: Section B is **not** required unless your organization proposes to supplement the Federal award by contributing costs above the amount of Federal funds requested in its application.

- **Form ED 524 - Section C Budget Narrative:** The budget narrative fulfils the requirement of Form ED 524 -Section C Budget Narrative. Find information below on completing the budget narrative.

❑ Budget Narrative

This section should be attached as a **single** document to the Budget Narrative Attachment Form in accordance with the instructions found on Grants.gov. As noted above, this narrative meets the requirements for ED Form 524 Section C. The budget narrative includes a detailed "breakdown" of the items in your organization's budget and a description telling how these costs relate to the proposed grant activities. Use the same budget categories listed on the ED 524 form Section A. If any salaries are to be covered by the grant, indicate the percentage of each person's time, the base annual salary, and the amount to be charged to the grant. Even if not included in the grant budget, the percentage of time that each key staff will devote to the grant project should also be noted in the budget narrative.

This justification needs to provide information about the Federal share of your organization's budget. In accordance with 34 C.F.R. § 75.232, Department staff perform a cost analysis of each recommended project to ensure that costs relate to the activities and objectives of the project, are reasonable, allowable, and allocable. We suggest that you use the format in the attached sample budget justification included in this application, which gives applicants an idea of the level and type of details that you should provide. Note: If your organization contributes costs to the project, those must meet the standards for allowability under the cost principles applicable to

your organization. Also, if your project period will extend over one year, please provide a breakdown of each year's budget in the budget justification.

Note: Applicants are encouraged to review the Uniform Guidance's Cost Principles (2 C.F.R. subpart E) in preparing their budget and budget narrative.

Suggested Guidelines for the Budget Narrative
To facilitate the review of your Budget Narrative, we encourage each applicant to include the following information for each year of the project:

1. Personnel
- Provide the title and duties of each position to be compensated under this project.
- Provide the salary for each position under this project.
- Provide the amounts of time, such as hours or percentage of time to be expended by each position under this project.
- Explain the importance of each position to the success of the project.
- Provide the basis for cost estimates or computations.

2. Fringe Benefits
- Give the fringe benefit percentages of all personnel included under Personnel.
- Provide the rate and base on which fringe benefits are calculated.

3. Travel
- Explain the purpose of the travel, how it relates to project success, how it aligns with the project goals and objectives and which program participants or staff will participate.
- Submit an estimate for the number of trips, points of origin and destination, and purpose of travel.
- Submit an itemized estimate of transportation and/or subsistence costs for each trip.
- Provide the basis for cost estimates or computations.

4. Equipment
- Indicate the estimated unit cost for each item to be purchased.
- Identify each type of equipment.
- Provide adequate justification of the need for items of equipment to be purchased.
- Explain the purpose of the equipment, and how it relates to project success.
- Provide the basis for cost estimates or computations.

5. Supplies
- Provide an itemized estimate of materials and supplies by nature of expense or general category (*e.g.*, instructional materials, office supplies, etc.).
- Explain the purpose of the supplies and how they relate to project success.
- Provide the basis for cost estimates or computations.

6. Contractual
- Provide the purpose and relation to project success.
- Describe the products to be acquired and/or the professional services to be provided.
- Provide a brief justification for the use of the contractors selected.

- Identify the name(s) of the contracting party, including consultants, if available.
- Provide the cost per contractor.
- Provide the amount of time that the project will be working with the contractor(s).
- For professional services contracts, provide the amounts of time to be devoted to the project, including the costs to be charged to this proposed grant award.
- Provide a brief statement that you have or will comply with the procedures for procurement under: 2 C.F.R. §§ 200.317-200.327.
- Provide the basis for cost estimates or computations.

7. **Construction**

APPLICABLE IF EARMARK LANGUAGE FOR YOUR ORGANIZATION AUTHORIZES CONSTRUCTION:

Special Instructions for Applications Including Construction Costs
If Congress has expressly authorized the use of FY22 earmark grant funds for construction, your earmark funds will be used for this purpose. 34 CFR §§ 75.600 through 75.617 outline specific requirements for grants including construction. Please review these provisions when applying for funds. Among other Federal requirements, applicants are required to adhere to the following:
- The applicant has or will have title or other interest in the project site, including right of access, and that the site will continue to be used for educational purposes after the completion of the project.
- Sufficient funds are available to meet any share of the costs of the repair, renovation, or construction of projects that are not part of this grant.
- Competent architectural engineering supervision and inspection will be maintained at the project's site to ensure that the work conforms to the drawings and specifications for the approved project. Actual construction of the project should begin and end within a reasonable amount of time and in accordance with the approved specifications.
- Grant projects will be functional, economical and not elaborate in design or extravagant in the use of materials, compared with the facilities of similar type constructed by the State or other applicable geographical area. An applicant may make reasonable provisions, consistent with the other uses of the structure, for areas within the facility to be adaptable for artistic and other cultural activities. However, no more than one percent (1%) of the cost of the project may be used for the inclusion of works of art.
- Standards under the Occupational Safety and Health Act of 1970 (Pub.L. 91-576), or State and local codes, if they are more stringent, will be observed in the design and completion of the projects.
- Proposed projects shall comply with any applicable requirements under the Americans with Disabilities Act (ADA) and Section 504 of the Rehabilitation Act of 1973 regarding accessibility for the disabled.
- As applicable and to the extent feasible, the design and completion of the grant project should maximize the efficient use of energy. Standard 90.1-1989 and 90.2-1993 of the American Society of Heating, Refrigerating, and Air-Conditioning Engineers, Inc. (ASHRAE) shall be applied in the design and completion of the grant project.
- It will follow the "Earthquake Hazards Reduction Act of 1977" (Pub.L. 95-125) and Executive Order 12699, "Seismic Safety of Federal and Federally-Assisted or Regulated New Building Construction."

- The facilities will be operated and maintained in accordance with applicable Federal, State, and local requirements.
- For construction projects over $2,000, all laborers employed by contractors or subcontractors shall be paid wages at rates not less than those prevailing on similar work projects in your locality as determined by the Secretary of Labor in accordance with the Davis-Bacon Act.

8. **Other**
   - List and identify items by major type or category (*e.g.*, communications, printing, postage, equipment rental, etc.).
   - Provide the cost per item (printing = $500, postage = $750).
   - Provide the purpose for the expenditures and relation to project success.
   - Provide the basis for cost estimates or computations.

9. **Total Direct Costs**
   - The amount that is the sum of expenditures, per budget category, of lines 1-8.

10. **Indirect Costs**
    - See "Instructions for Charging Indirect Costs" in this application package for more information.
    - Identify indirect cost rate (if the applicant will charge indirect costs to the grant).
    - Note: As applicable, remember to provide a copy of the most recent approved indirect cost agreement in the Other Attachments form section of the application.

11. **Training Stipends (as applicable)**

12. **Total Costs**
    - Sum of direct costs, indirect costs, and stipends.
    - Please provide total costs for each year of the project as well as grand total cost for the entire project.

❑ **Budget Dos and Don'ts**

Applicants often want to know whether they can spend grant money on certain items. Below are some guidelines that address commonly raised questions.

Allowable Expenses: In addition to the limits set by the specific provision for the earmark in the appropriations act, EDGAR and government-wide requirements including applicable cost principles are also applicable. Additionally, Federal money may generally be spent according to the categories found on the form ED 524 Section A, except for construction. However, as discussed below, some of the budget categories have special issues:

- Travel: The costs of travel to and from conferences and meetings directly related to approved grant activities, and reasonable and necessary for the operation of the project, are allowable. These costs should be economical and not extravagant. You must adhere to the travel policy established by your organization.

- Equipment and Supplies: Equipment is defined in 2 C.F.R. § 200.1 of the Uniform Guidance as any one item (including information technology systems) having a useful life of more than one year and a unit cost of $5,000 or more. Also, if your organization uses a threshold dollar level that is less than $5,000, which applies generally to equipment purchased by your organization, you must use that threshold for equipment you plan to use under the earmark grant for which you are applying. Every other item should be listed under supplies. If equipment is to be purchased for the purpose of the grant, grantees must comply with the requirements governing the purchase and use of equipment found in EDGAR at 34 C.F.R. §§ 200.313 and 200.439. The equipment requirements require grantees to comply with certain disposition instructions from the Department.

- Contracts: Grantees planning to use grant funds to contract for services must be cognizant of the Uniform Guidance requirements found in 2 C.F.R. §§ 200.317-200.327 and the provisions in Appendix II to Part 200—Contract Provisions for Non-Federal Entity Contracts Under Federal Awards. The Uniform Guidance contains detailed specifications for procurement actions that grantees undertake with grant funds, including requirements for codes of conduct for grantee staff, competition, cost and price analysis, record-keeping, contractor compliance with certain Federal laws and regulations, and various mandatory provisions that must be included in contracts and subcontracts. Under 2 C.F.R. 200.317, States are required to follow the procurement rules the State has established for purchases funded by non-Federal sources and comply with 2 C.F.R. §§ 200.321, 200.322, and 200.323 and ensure that every purchase order or other contract includes any clauses required by 200.327. Other grantees must comply with the requirements in 2 C.F.R. §§ 200.318-200.327.

- Indirect Costs: If your organization prefers to use all of its grant funds for direct project activities, your organization is not required to charge the grant for indirect costs. However, costs normally recovered through the application of the indirect cost rate may not be "shifted" to direct cost claims. If your organization wishes to charge indirect costs, please follow the instructions in this application package to assist with the calculation of the indirect cost portion of your organization's budget.

- Membership Dues: (See C.F.R. § 200.454) The following costs that are directly related to the purposes of this grant, and that are reasonable and necessary for the operation of the project, **are allowable**: (a) Costs of the non-Federal entity's membership in business, technical, and professional organizations; (b) Costs of the non-Federal entity's subscription to business, professional, and technical periodicals; or (c) Costs of membership in any civic or community organization with prior approval by the Federal awarding agency or pass-through entity.

  The following costs are **not allowable**: (a) Costs of membership in any country club or social or dining club or organization; and (b) Costs of membership in organization whose primary purpose is lobbying. See also C.F.R. § 200.450.

Unallowable Expenses: Federal money generally cannot be spent on:

- Construction Costs: These are generally not allowed unless specified in the appropriations act language for your organization's particular grant. Similarly, grant funds may not be used for mortgage payments or real estate, which like construction costs, are prohibited under 34 C.F.R. § 75.533. However, some funds may be used for the costs of minor renovations that are reasonable and necessary for the operation of the project. "Minor remodeling means minor alterations in a previously completed building. The term also includes the extension of utility lines, such as water and electricity, from points beyond the confines of the space in which remodeling is undertaken but within the confines of the previously completed building. The term does not include building construction, structural alterations to buildings, building maintenance, or repairs." (34 C.F.R. § 77.1(c))

- Food and entertainment: Rarely are these expenses allowed. There are some exceptions. For example, it would be appropriate to spend a small amount of money for food if necessary to encourage low-income parents to attend a school event that is needed to reach the goals of your organization's grant program and is scheduled over the lunch hour. However, for example, it would not be appropriate to buy balloons and food for a banquet celebrating the one-year anniversary of a new school technology center paid for with grant money. Only in rare instances should grant funds be used to cover the cost of lunches at a conference in which teachers or other professionals are in attendance. If food and entertainment expenses are planned, the budget narrative must explain your organization's rationale for including them. Spending grant money on alcoholic beverages is never allowed.

- Fund-raising: (See 2 C.F.R. § 200.442) Costs of organized fund-raising, including financial campaigns, endowment drives, solicitation of gifts and bequests, and similar expenses incurred solely to raise capital or obtain contributions are not allowed.

- Lobbying: (See 2 C.F.R. § 200.450.) No Federal appropriated funds may be paid by or on behalf of the applicant to any person for influencing or attempting to influence an officer or employee of an agency of the Federal government, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with the awarding of any Federal contract, the making of any Federal grant, the making of any Federal loan, the entering into of any cooperative agreement, and the extension, continuation, renewal, amendment, or modification of any Federal contract, grant, loan, or cooperative agreement. The same restrictions apply to attempts to influence the introduction or amendment of any legislation before Congress, except under specific exceptions described in the cost principles.

  Institutions of higher education and nonprofit organizations are also limited under the cost principles from using Federal funds to influence the introduction or amendment of State or local legislation. However, there are recognized exceptions to these general requirements, so your organization should consult the cost principles applicable to your organization for more detailed information on these limitations (See 2 C.F.R. 200.450.)

  If any funds other than Federal appropriated funds have been paid or will be paid to any person for influencing or attempting to influence an officer or employee of any agency, a

Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with this Federal contract, grant, loan, or cooperative agreement, the applicant must complete and submit Standard Form-LLL, "Disclosure of Lobbying Activities," in accordance with its instructions.

- Sub-grants: Under 34 C.F.R. § 75.708, sub-grants are only allowed when authorized by statute, such as the appropriations act, or by the Department through a *Federal Register* Notice. As the Department has not authorized subgrants for earmarks through a Federal Register Notice, sub-grants are not allowed unless specifically authorized by the appropriations act language authorizing your organization's project. If your organization intends to use another agency or person(s) to help work on its grant activities, your organization must establish this arrangement through a contract in accordance with the Uniform Guidance requirements in 2 C.F.R. §§ 200.317-200.327, which requires open and free competition. Under these regulations, grantees may not include anti-competitive requirements in their requests for proposals, such as placing unreasonable requirements on firms in order for them to qualify to do business; requiring unnecessary experience and excessive bonding; organizational conflicts of interest; and specifying only a "brand name" product instead of allowing "an equally effective" product to be offered.

  Generally, grantees should not procure goods and services non-competitively except in situations where small purchase procedures, sealed bids or competitive proposals are infeasible and, after solicitation from a number of sources, your organization determines that competition is inadequate to purchase the goods or services it needs to support the grant or the good or service is available from only one source. 2 C.F.R. § 200.320(c). In all cases where goods or services are procured non-competitively, your organization needs to document the basis for the determination to use sole source procedures. See also 34 C.F.R. § 75.135.)

- Religious Activities: In accordance with EDGAR, in 34 C.F.R. § 75.532, no grantee may use its grant funds to pay for any of the following: 1) religious worship, instruction, or proselytization; 2) equipment or supplies to be used for any of these activities.

- Other: Other costs that may be unallowable using grant funds include such items as the cost of advertising or public relations; capital expenditures; defense and prosecution of criminal and civil proceedings, claims, appeals and patent infringement; interest; and lobbying.

SAMPLE BUDGET JUSTIFICATION

This sample is intended to provide guidance only. Each applicant is expected to follow the format but tailor the budget request and justification to the entity's specific project.

Personnel

Robin Doe, Project Director ($75,000 x .20 FTE)	$ 15,000

The project director will have oversight of the program and provide supervision, recruitment and training of the program liaisons.

Chris Que, Project Coordinator ($48,000 x 1.0 FTE)	$ 48,000

The coordinator will be responsible for day-to-day project activities.

Program Liaisons (2 x $35,000 x 1.0 FTE)	$ 70,000

The program liaisons will be responsible for day-to-day school/ community outreach activities.

1 Support staff ($24,000 x .40 FTE)	$ 9,600

Total Personnel   **$142,600**

Fringe Benefits

100% of medical, dental, vision, life, and disability for full-time employees is covered at 18.25% of annual salary.

Project Director ($15,000 x 0.1825)	$ 2,738
Project Coordinator ($48,000 x 0.1825)	$ 8,760
2 Program Liaisons ($70,000 x 0.1825)	$ 12,775
1 Support staff ($9,600 x 0.1825)	$ 1,752

Total Fringe Benefits   **$ 26,025**

Travel

Funds are requested for travel for the Director and Coordinator to attend a meeting in Washington, DC, and for mileage for staff travel between the office and the local sites.

2 trips to Washington, DC	$ 1,570

Hotel @ $125/night x 2 nights x 2 people = $500
Round trip airfare = $230 x 2 people = $460
Ground transportation = $80 x 2 people = $160
Per Diem @ $75/day x 3 days x 2 people = $450

Mileage reimbursement for local travel between project sites
Estimated 350 miles x $0.405 $ 142

Total Travel $ 1,712

Equipment

(Only items with a useful life of more than one year and an   -0-
Acquisition cost of $5,000 or more per unit go here. However, if your
organization has established a lower equipment threshold for general purposes,
you must use that threshold in your budget. Please include a statement about
your equipment threshold with your budget.)

Supplies

3 Pentium-class computers @ $1,100 each $ 3,300
    Each full-time staff person will be assigned a computer. (Note: if your
    organization has an equipment threshold of $1,000, for example,
    then this item would have to be included in the budget for equipment.)

1 Laser color printer for training and workshop materials $ 800

General office supplies $ 1,500
    Includes paper, pens, pencils, and other desk supplies.

Total Supplies $ 5,600

Contractual

External Project Evaluator $ 20,000
    Shawn Mars has been hired to conduct evaluations of other activities
    for this agency and will conduct the evaluation for this project and
    produce the report as discussed in the narrative section.

Other

Photocopier lease at $300/month x 12 months $ 3,600
Telephones @ $170/month x 12 months (If not covered under your indirect
cost rate agreement) $ 2,040
Postage @ $50/month x 12 months $ 600

Total Other $ 6,240

Total Direct Costs $202,177
Indirect Cost at de minimis rate of 10% $ 20,218
Project Total $222,395

INSTRUCTIONS FOR CHARGING INDIRECT COSTS

Introduction
What are indirect costs and what is an Indirect Cost Rate (ICR)? Unlike direct costs (2 C.F.R. 200.413), indirect costs (2 C.F.R 200.414) cannot be readily identified with a particular final cost objective and provide equitable benefit to both Federal and non-Federal programs. Indirect costs are those costs that are incurred for common or joint objectives and are often classified as "management and general expenses". Examples of common items charged as indirect costs, when the organization has multiple sources of funding, include:

1. The costs of operating and maintaining facilities, equipment, and grounds (equitable portion of "facilities costs").
2. Depreciation of equipment that supports indirect activities, bought by the grantee using its own funds.
3. Salaries of executive and administrative personnel and services such as payroll, accounting, auditing, human resources, etc.

An ICR is the ratio, expressed as a percentage, of accumulated or "pooled" indirect costs divided by a direct cost base. An ICR and its supporting documentation serve as the financial blueprint (for organizations charging costs to Federal awards) in the following ways:

1. Provide management information.
2. Establish compliance with Office of Management and Budget (OMB) Uniform Guidance 2 C.F.R. 200.
3. Legislative and program requirements (such as the Education Department General Administrative Regulations 34 C.F.R.)
4. Furnish documentation for auditors.
.
The Department reimburses grantees for its portion of the indirect costs that a grantee incurs on projects funded by the grant program. To charge indirect costs to a grant, a grantee must elect the De minimis (2 C.F.R. 200.414(f)) indirect cost rate (for programs that do not have the legislative requirements for restricted indirect cost rates (34 C.F.R. 75.563 and 76.563) or regulatory requirements for training indirect cost rates (34 C.F.R. 75.562) or have a currently approved Negotiated Indirect Cost Rate Agreement (NICRA).

De minimis ICR
Institutions of Higher Education (IHEs), federally recognized Indian Tribes, State and Local Governments receiving less than $35 million in direct federal funding, and nonprofit organizations, if they do not have a current negotiated (including provisional) rate, and are not subject to the Department's training rate or restricted rate (supplement-not-supplant provisions) may elect to charge a de minimis indirect cost rate of 10% of modified total direct costs (MTDC). This rate may be used indefinitely.

MTDC consists of all direct salaries and wages, applicable fringe benefits, materials and supplies, services, travel, and subawards and contracts up to the first $25,000 of each subaward (i.e., subgrant). MTDC excludes equipment, capital expenditures, charges for patient care, rental

costs, tuition remission, scholarships and fellowships, participant support costs and the portion of each subaward in excess of $25,000. Other items, including contract costs in excess of $25,000, may be excluded when necessary to avoid a serious inequity in the distribution of indirect costs (see definition of MTDC at 2 C.F.R. § 200.1).

Additionally, the de minimis rate may not be used by grantees that are subject to the Department's training indirect cost rate (34 C.F.R. § 75.562) or restricted indirect cost rate. The de minimis rate may be used indefinitely. However, if a grantee chooses to use the de minimis rate to recover indirect costs, it must do so for all of its Federal awards until such time as the grantee negotiates an indirect cost rate with its cognizant agency. Once a grantee obtains a federally recognized indirect cost rate that is applicable to this grant, the grantee may use that indirect cost rate to claim indirect cost reimbursement.

The de minimis indirect cost rate only allows the grantee to recover indirect costs incurred on or after the date the beginning of the project period.

Negotiated Indirect Cost Rate Agreement (NICRA)
Any grantee charging indirect costs to a grant under this program must use that does not elect or is ineligible to use the De minimis ICR must have a NICRA with and approved by its cognizant agency for indirect costs, i.e., either (1) the Federal agency from which it has received the most direct funding, subject to indirect cost support; (2) the particular agency specifically assigned cognizance by OMB; or (3) the Recipient (2 C.F.R. 200.1) that is the Passthrough (2 C.F.R. 200.1) entity that provides subawards to the grantee (2 C.F.R. 200.332(a)(4)).

You and your organization should pay special attention to specific questions, on the application budget form (ED 524), about your organization's cognizant agency and the ICR that your organization is using in its budget.

If your organization does not have an ICR already established and approved, step one is to determine your eligibility for the De minimis ICR, step two elect the De minimis ICR if applicable or establish a ICR that it can use to charge indirect costs, and propose that rate to your organization's cognizant agency. To establish a NICRA, your organization should determine which of the following categories apply to your organization and then follow the guidance associated with that category.

Category I - Earmark recipient's Federal funding includes the Department earmark and direct assistance, that is not an earmark, from another Federal agency.

> **Guidance** – Your organization may elect the De minimis rate or obtain a NICRA from the Federal agency that provides the majority of direct assistance or the agency that is designated as your organization's cognizant agency.

Category II - The earmark recipient's Federal funding includes only the Department earmark and other direct assistance from the Department that is not an earmark.

Guidance – Your organization may elect the De minimis rate or obtain an approved NICRA from the Department's Indirect Cost Division (ICD). Review and follow the final regulations published at De minimis [2 C.F.R. 200.414(f)](#). and NICRA [34 C.F.R. 75.560](#). The rules applicability of the depends on the grantee program types.

Category III - The earmark recipient is a "for profit" commercial firm and the earmark is the sole Federal award to the organization, but the organization has other sources of revenues.

Guidance – Your organization may elect the De minimis rate or obtain an approved, ICR from the Department's Indirect Cost Division. Please refer to the guidance given above for Category II.

*Commercial Entities must be mindful that their applicable cost principles unless otherwise agreed to are located in the Federal Acquisition Regulations (FAR) [48 C.F.R. 31.201-31.205-52](#) Contract Cost Principles and Procedures.

Category IV - The earmark recipient is a nonprofit organization and the Department earmark represents the organization's only direct Federal assistance.

Guidance – Your organization must use its most recent IRS Form 990. The IRS Form 990 will serve as the basis for the indirect cost rate calculation, in lieu of a formal indirect cost proposal tied to audited financial statements. Generally, the Department's program office will accept the "fixed indirect cost rate" calculated using the IRS 990 financial information for the performance period of each individual earmark.

Online Resources
Indirect Cost Division Training https://www2.ed.gov/rms-training/indirect-cost-fy-21/story.htm
Indirect Cost Division Website http://www.ed.gov/about/offices/list/ocfo/fipao/icgindex.html

To obtain instructions for preparing an indirect cost rate proposal, please send a request to Indirect Cost Division's e-mail address: indirectcostdivision@ed.gov.

Please note the following:
1. If your organization receives funding under an earmark and does not have a currently approved ICR with your organization's cognizant agency as a result of current or previous funding, the Department will require your organization to obtain an approved ICR within 90 days after the date of the grant award. As noted above, the Department is very often ***not*** the cognizant agency for its own grantees. Rather, the Department accepts the currently approved ICR established by the appropriate cognizant agency.
2. Your organization is encouraged to use its accountant (or CPA) to calculate a proposed ICR using information in the IRS Form 990, audited financial statements, or actual cost data. Applicants should use this proposed rate in their application materials and indicate which of the above methods was used to calculate the rate. Guidance for using the IRS 990 financial information or creating a model cost policy statement can be found [here](#).

If you and your organization have questions about using an ICR under the grant program, please send an email to the address in the confirmation email.

Please remember, when filing your organization's application, to let us know which of the categories listed above that your organization is using. If your organization is using a previously approved negotiated rate, please enclose a copy of the negotiated rate agreement showing with whom it was established, when it was established, and the rate.

Additional Indirect Cost Information and Example for Training Grants

If you are applying for a discretionary grant that the U.S. Department of Education considers to be a "Training grant," your indirect cost reimbursement is limited. See the Education Department General Administration Regulations (EDGAR), 34 C.F.R. 75.562, Indirect cost rates for educational training projects.

Indirect cost reimbursement on ED training grants is limited to the grantee's actual indirect costs as determined by the grantee's negotiated indirect cost rate agreement or 8% of a modified total direct cost base, **whichever is less**. Indirect costs in excess of the 8% limit may not be charged directly, used to satisfy matching or cost-sharing requirements, or charged to another Federal award.

For the purposes of calculating indirect costs for training grants, EDGAR, §75.562(c), defines a modified total direct cost base as:

> **"total direct costs less stipends, tuition and related fees, and capital expenditures of $5,000 or more."**

Note: This limitation on indirect cost reimbursement for training grants does not apply to agencies of State or local governments, including federally recognized Indian tribal governments. However, the 8% limit applies to cost-type contracts under grants, if these contracts are for training as defined in EDGAR, §75.562(a).

Below is a simplified example for calculating indirect costs for a training grant using the budget categories from the ED 524 form, Budget Information – Non-construction Programs. The ED 524 and Instructions can be found at: http://www.ed.gov/fund/grant/apply/appforms/appforms.html.

For the purposes of this example, the rate of 8% of a modified total direct cost base is used to calculate indirect costs.

1. Personnel			174,000
2. Fringe Benefits			50,000
3. Travel			10,000
4. Equipment			8,200
5. Supplies			920
6. Contractual			4,900
7. Construction			-
8. Other (Tuition)			5,400
9. Total Direct Costs			253,420
Calculate Modified Total Direct Cost Base			
Total Direct Costs		253,420	
Less:			
Equipment	8,200		
Tuition	5,400		
		13,600	
Modified Total Direct Cost Base:		239,820	
Multiply $239,820 by 8%:		19,186	
10. Indirect Costs			19,186
11. Training Stipends			6,300
12. Total Costs			278,906

PART 3: ED ABSTRACT FORM

This section should be attached as a single document to the ED Abstract Form in accordance with the instructions found on Grants.gov.

❑ **Project Abstract**

The abstract should provide a one-page summary that includes the name of your organization, the name of your organization's project, and a brief overview that directly addresses the appropriations act language authorizing this project and how your organization intends to carry out a project consistent with the appropriation act language. Include the following information:

- What your organization wants to accomplish with the grant money;
- How your organization plans to carry out its goals;
- How your organization will determine progress and gauge overall impact that may further understanding of a particular educational policy or practice.

PART 4: PROJECT NARRATIVE ATTACHMENT FORM

This section should be attached as a **single** document to the Project Narrative Attachment Form in accordance with the instructions found on Grants.gov and should be organized in the following manner and include the following parts in order to expedite the review process.

❑ **Table of Contents**

The Table of Contents shows where and how the important sections of your proposal are organized and should not exceed **one** double-spaced page.

❑ **Application Narrative**

This is a major part of your organization's application in which you describe in detail what your organization plans to accomplish. The narrative should be approximately five to ten double-spaced pages. **Your organization's application must address and be consistent with the appropriations act language specifying the purpose of your organization's grant, as stated in the confirmation email, address the program requirements, and outline a level of expenditures that is consistent with the amount specified in that email.** The Federal share of the cost for the proposed scope of work may not exceed the amount available under the earmark.

Your organization's narrative needs to include the following:

Project Design
- Clearly state your organization's goals and objectives and the outcomes to be achieved by the project.
- Describe the activities your organization will implement to meet those goals and objectives.
- Include a timeline for when the activities will be completed.
- Describe how your organization will measure or determine the progress made towards achieving the stated objectives and gauge overall impact, including quantitative and qualitative data that you will collect that relate to the intended outcomes of the project.
  - Include clear performance measures for each objective.
- How your organization will use the data referenced above to engage in continuous improvement.

Project Personnel
- List the names of the people who will administer and be most involved in your organization's grant activities.
- Describe the responsibilities assigned to each of them with regard to the project.
- Tell us approximately what percentage of each key person's work time will be devoted to grant activities. *This information is mandatory in order to process your organization's application.*

- Enclose brief resumes for each of the following staff people at the back of your organization's application that describe the qualifications and relevant training and experience of the project personnel:
  a) The project director;
  b) Other key personnel, including those working on fiscal accountability matters; and
  c) Project consultants and contractors.
- If a position is not yet filled, please provide a brief description of that position. Further, once the position is filled, please send the person's resume to your program officer for review and approval.

Management Plan

- Describe the management plan that will enable your organization to achieve the goals and objectives of the proposed project on time and within the budget constraints, including clearly defined responsibilities, timelines, and milestones for accomplishing project tasks.
- Describe the extent to which the time commitments of the key personnel listed above, including the project director, are appropriate and adequate to meet the objectives of the proposed project.

PART 5: OTHER ATTACHMENTS FORM

Attach one or more documents to the Other Attachments Form in accordance with the instructions found on Grants.gov. You may provide all of the required information in a single document, or in multiple documents.

❑ **Copy of Indirect Cost Rate Agreement, as applicable**

See "Instructions for Charging Indirect Costs" in this application package for information on indirect cost rate agreements. Note: Consistent with 2 C.F.R. § 200.414(f), no documentation is required to justify the 10% de minimis indirect cost rate. Entities using this rate should notify their program point of contact and include a declaration in their audited financial statement footnotes if applicable.

PART 6: ASSURANCES AND CERTIFICATIONS

Applicants are required to include several forms and statements in their applications indicating that they will comply with Federal laws and regulations. Be certain to complete all required assurances and certifications in Grants.gov and include all required information in the appropriate place on each form. The assurances and certifications required are:

❑ **Disclosure of Lobbying Activities (SF LLL Form), as applicable**

See instructions below. Form SF-LLL should be submitted if your organization pays an individual or another organization to lobby for you. Instructions on the form define "lobbying." Note: According to the ED 80-0013 cited below, grant funds cannot be used to pay for lobbying activities.

❑ **Grants.Gov Lobbying Form – "Certification Regarding Lobbying" (ED 80-013 Form)**

This form must be signed, dated, and returned with your organization's application. By doing so your organization is certifying that it will not spend Federal grant money for lobbying, and we expect that you and your organization will not violate the certification.

❑ **General Education Provisions Act (GEPA) Requirements – Section 427**

See explanation and examples here.

REPORTING AND ACCOUNTABILITY

Successful applicants with multi-year grants must submit an **annual performance report** (APR) demonstrating their progress in meeting approved project objectives. Grantees must also provide the most current financial and performance measure data for each year of the project. At the end of the project period, applicants will also be required to submit a **final performance report (FPR)**.

34 C.F.R. §§ 75.110 and 2 C.F.R. § 200.329 require all grantees to provide information to the Department that describes the extent to which the funded project has achieved its goals and objectives. Annual progress reports are required for earmark projects that exceed 12 months and are due on a date that will be specified in your organization's grant award document. Also, your organization will be required to submit a final report to the Department 90 days after the end of its grant.

If a performance report or other sources of information, including program monitoring, shows problems with the grant, the grant award may be amended to include special conditions or other administrative actions, such as the withholding of funds or the termination of the grant, may be taken by the Department. The assigned Department program officer will send the grant recipient projects a reminder when reports are due.

For specific requirements on grantee reporting, please go to the ED Performance Report Form 524B at http://www.ed.gov/fund/grant/apply/appforms/appforms.html.

NEXT STEPS

Still Need Help?

If you have questions, don't be shy about contacting us—preferably sooner, rather than later. The sooner we receive your application, and the sooner we can review it, and if it is approvable, the sooner your organization can gain access to the grant money. We have a staff of people who have worked with grants for a long time. If we can't answer your question(s), we'll find the person who can. You may send an email to the address listed in the confirmation email.

All Done with the Application—Now What?

You've finished your application. Now what?

- Review: After the Department receives your organization's application, Department staff will review it to determine if your organization's application information meets the provisions of the Congressional earmark language, is complete, and adheres to the guidelines provided in this application package. The Department will contact your organization prior to the awarding of your organization's grant or if your organization needs to answer any questions or revise any portions of the application.

- Grant Awarded: The Department will send you an email containing a link to access an electronic version of your Grant Award Notification (GAN). This email will include information about how to set up the electronic account through which your organization draws down its funds, if necessary.

- Special Conditions and "High-Risk" Designations: In accordance with 2 C.F.R. § 200.208, a grant award may contain specific conditions if an applicant's performance or use of funds under a previous award under any Department program was not satisfactory or if other issues or problems exist that need special attention. Specific conditions may also be applied if an applicant failed to submit a performance report or its submission of a performance report was of unacceptable quality under any Department program. Additionally, in accordance with the provisions of 2 C.F.R. § 200.208 and 2 C.F.R. § 3474.10, your organization may be designated a "high-risk" grantee at any time during the grant period.

- Post-Award Call: After the Department awards the grant, the Department program contact assigned to your organization will be in contact with your organization to conduct a post-award call. The call's main purpose is to begin building a constructive relationship between your organization and the Department, learn of any special problems or concerns that you or your organization may have, or identify any assistance that you or your organization might need.

- Administrative Requirements: Grantees are required to comply with the terms of the appropriations act, the program legislation, the requirements in EDGAR, any other applicable

requirements, and its approved application. Grantees must use Grant funds in accordance with these documents. Other administrative responsibilities of grantees include:
- o Directly administering or supervising the administration of the project;
- o Using sufficient fiscal control and fund accounting procedures that insure proper disbursement of and accounting for Federal funds;
- o Using grant funds only for allowable expenditures; and
- o Using grant funds only for appropriate obligations made during the grant period.

- Fiscal Requirements: (See 2 C.F.R. § 200.302.) Grantees must "use fiscal control and fund accounting procedures that insure proper disbursement of and accounting for Federal funds." In general, grantees are required to have financial management systems that:
  - o Provide for accurate, current, and complete disclosure of results regarding the use of funds under grant projects;
  - o Provide adequate source documentation for Federal and non-Federal funds used under grant projects;
  - o Enable the grantee to maintain effective internal control and fund accountability procedures, e.g., requiring separation of functions so that the person who makes obligations for the grantee is not the same person who signs the checks to disburse the funds for those obligations;
  - o Provide for a comparison of outlays with budget amounts;
  - o Contain written procedures to minimize the time elapsing between the transfer of funds to the recipient from the U.S. Treasury and the issuance or redemption of checks, warrants or payments by other means for program purposes;
  - o Contain written procedures to determine the allowability, allocability, and reasonableness of obligations and expenditures made by the grantee; and
  - o Have accounting records including cost accounting records that are supported by source documentation. (See 2 C.F.R. §§ 200.302 and 75.702.)

State systems must account for funds in accordance with State laws and procedures that apply to the expenditure of and the accounting for a State's own funds. A State's procedures, as well as those of its sub recipients and cost-type contractors, must be sufficient to permit the preparation of reports that may be required under the award as well as provide for the tracing of expenditures to a level adequate to establish that award funds have not been used in violation of any applicable statutory restrictions or prohibitions.

- Accounting and Grant Records Requirements: Grantees need to keep and maintain records regarding use of grant funds, compliance with program requirements, and records demonstrating the effectiveness of the grant in meeting its objectives. The financial records need to show the amount and source of all funds used to run the grant, including any matching funds that were promised in the initial application. The records also must document how those funds were used. These records are used to demonstrate to program staff and independent auditors that all funds have been used for allowable costs.

  In addition, grantees are required, under the record retention and access provisions in the Uniform Guidance at 2 C.F.R. 200.334 -200.338 which require, among other things, that

grant records be maintained for three years after the completion of the activities for which grant funds were used, and until any audits, claims, and or litigation are completed and resolved.

- Internal Controls: (See 2 C.F.R. § 200.303.) Grantee organizations are required to have management systems that enable the grantee to maintain the effective administration of internal control and fund accountability procedures. Two key elements in meeting criteria for internal control and accountability are meeting documentation and approval standards for the expenditure of grant funds. A significant number of findings noted in audit and monitoring reports focus on these areas. Therefore, recipient entities are encouraged to carefully review the information in this section.

  An effective plan of internal control should include, but not be limited to:
  o Maintain documented internal controls policy and procedures that are updated on a regular basis.
  o Ensure that everyone in the organization understands their role in the internal control process and in maintaining the process to assure accountability.
  o Maintain a documented conflict of interest policy and a process to ensure compliance.
  o Prepare documented strategic, operations, and financial plans and conduct timely performance reviews.
  o Ensure adequate separation of functions in obligating, authorizing, processing, recording, disbursing and reconciling grant expenditures.
  o Maintain records to accurately document and account for all transactions in accordance with documented organization's policy.
  o Have a documented procurement process that requires properly approved purchase requisitions, purchase orders, and competitive bidding procedures, where appropriate, and ensures compliance. The process must provide for the effective review of vendor invoices and contract deliverables as part of the payment approval process to control the risk of improper payments.
  o Maintain an asset management system inclusive of inventory controls for equipment and other assets purchased with grant funds.
  o Maintain a time and attendance system that records and distributes staff time and activities and accurately distributes costs to the various project activities.

  Internal control policies and procedures must be clearly documented and available for examination. The documentation should appear in management directives, administrative policies, or operating manuals and may be in paper or electronic form. All documentation and records should be properly managed, maintained, and updated timely. During the course of each project period, a Department program specialist will include a discussion and review of internal controls as a part the monitoring process as will any auditors that review organization performance.

- Data Quality: To ensure successful implementation and positive outcomes as a result of the project, grantees should use the information described in the narrative to monitor progress of the funded project and provide accountability information about success at the initial site and,

if appropriate, effective strategies for replication in other settings. We encourage applicants to devote an appropriate level of resources to evaluate/assess the progress of their projects towards achieving their goals and objectives, including sufficient resources to collect quantitative and qualitative data. Grantees should ensure that all data, both programmatic and fiscal, reported to the Department are timely and accurate.

- Monitoring and Auditing by the Department: After the Department issues a grant award, your organization should expect to be contacted on a regular basis by Department program staff or other Department representatives, and the Department may conduct an on-site visit to your organization's project. Your organization must maintain adequate documentation and records to demonstrate that the project is operating in a manner that is fully consistent with all applicable laws. The Department expects that your organization will be fully cooperative with the Department representatives, fully responsive to their requests for relevant information, and will provide access to project personnel and others connected to the project. The Department's Office of Inspector General (OIG) may also audit the project, and your organization must ensure that it fully cooperates with the OIG and other auditors.

- Single Audit: If your organization is a governmental or not-for-profit organization that expends $750,000 in federal funds in your organization's fiscal year, whether from this grant alone or in conjunction with other federal funds, you are subject to the audit requirements of 2 C.F.R. § 200.501, and must arrange for an organization-wide audit that meets certain requirements and be conducted by an independent auditor; this audit is known as a "single audit." The OMB Compliance Supplements that cover specific compliance requirements the auditor must cover in a single audit can be found at this site: https://www.whitehouse.gov/omb/office-federal-financial-management/. Part 7 of the Compliance Supplement provides guidance for auditing programs not included in the Compliance Supplement, which would include earmark awards.

  In the absence of specific legislative authorizing language, you may not make subgrants to other entities (subrecipients). Subrecipients that are governmental or not-for-profit entities are subject to the requirements of Subpart F of 2 C.F.R. Part 200 if they expend $750,000 of Federal funds whether from your organization's subgrant alone, or in conjunction with other federal funds. Your organization may enter into contracts with outside vendors to provide services related to your organization's grant; however, your organization must be sure to retain responsibility for making all substantive decisions with respect to implementation of its grant. Expenditures related to vendors must be covered in your organization's single audit.

  Thank you for your and your organization's diligence in completing the application and being prepared to properly implement a grant. We look forward to working with you and your organization.